



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

Elizabeth Birch, Treasurer  
Human Rights Campaign Fund  
Political Action Committee  
919 18<sup>th</sup> NW, Suite 800  
Washington, DC 20005

APR 4 2001

Identification Number: C00235853

Reference: Amended September Monthly Report (8/1/00-8/31/00), dated 10/27/00

Dear Ms. Birch:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses \$6,392 in disbursements to your connected organization for in-kind contributions to various candidates (pertinent portions attached). In a letter, you state you have made "preimbursements to the Human Rights Campaign, to allow HRC to pay for the travel expenses for a number of individuals who were sent as in-kind contributions to these campaigns". 2 U.S.C. §441b prohibits a corporation or labor organization from contributing or expending funds for the purpose of influencing any federal election, except that a connected organization may pay for the solicitation and administrative costs of its separate segregated fund. However, corporate/labor officials or employees may direct subordinates to plan, organize or carry out fundraising as part of their work, using corporate/labor organization resources, only if the corporation or labor organization receives advance payment for the fair market value of the services, including compensation, benefits and overhead. However, using coercion to urge anyone to engage in fundraising on behalf of, or make a contribution to, a candidate or political committee is prohibited. 11 CFR §114.2(f)(2)(i)(A) and (iv)

The Commission notes your disclosure of these in-kind contributions to candidates on Line 23. However, it is also necessary for you to report the